

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

INTERIM RENEWAL CONTRACT BETWEEN THE UNITED STATES
AND
SAN JUAN WATER DISTRICT
PROVIDING FOR PROJECT WATER SERVICE

THIS CONTRACT, made this 27th day of February, 2004, in
pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or supplementary
thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844), as amended and
supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented, July 2, 1956 (70 Stat.
483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263), as amended and Title XXXIV of
the Act of October 30, 1992 (106 Stat. 4706), all collectively hereinafter referred to as Federal
Reclamation law, between THE UNITED STATES OF AMERICA, hereinafter referred to as the
United States, and SAN JUAN WATER DISTRICT, hereinafter referred to as the Contractor, a public
agency of the State of California, duly organized, existing, and acting pursuant to the laws thereof,
with its principal place of business in Granite Bay, California;

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States and the Contractor entered into an interim renewal
contract identified as Contract No. 14-06-200-152A-IR5, hereinafter referred to as the Interim
Renewal Contract, which provided for the continued water service to the Contractor following
expiration of Contract No. 14-06-200-152A; and

WHEREAS, the United States and the Contractor have entered into successive renewals of the Interim Renewal Contract, the most recent of which is Contract No. 14-06-200-152A-IR7, hereinafter referred to as the Existing Interim Renewal Contract from March 1, 2003, through February 29, 2004; and

WHEREAS, the United States and the Contractor have made significant progress in their negotiations of a long-term renewal contract, believe that further negotiations on the long-term renewal contract would be beneficial, and mutually commit to continue to negotiate to seek to reach agreement, but anticipate that the environmental documentation necessary for execution of any long-term renewal contract will be delayed at least an additional 7 months, and may be delayed further for reasons beyond the control of the parties; and

WHEREAS, the Contractor has requested a subsequent interim renewal contract pursuant to Subdivision (b)(1) of Article 2 of the Interim Renewal Contract and Article 1 of the Existing Interim Renewal Contract; and

WHEREAS, the United States has determined that the Contractor has to date fulfilled all of its obligations under the Existing Interim Renewal Contract; and

WHEREAS, the United States is willing to renew the Existing Interim Renewal Contract pursuant to the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is hereby mutually agreed by the parties hereto as follows:

INCORPORATION AND REVISION OF EXISTING INTERIM RENEWAL CONTRACT

1. The terms and conditions of the Existing Interim Renewal Contract are hereby incorporated by reference into this Contract with the same force and effect as if they were included in full text with the exception of Article 1 thereof, which is revised as follows:

(a) The first sentence in Subdivision (a) of Article 1 of the Existing Interim Renewal Contract is modified as follows: "This interim renewal contract shall be effective from

55 March 1, 2004, and shall remain in effect through February 28, 2006, and thereafter will be renewed
56 as described in Subdivision (a) of Article 2 of the Interim Renewal Contract if a long-term renewal
57 contract has not been executed with an effective commencement date of March 1, 2006; Provided,
58 that if a long-term renewal contract has been executed with an effective commencement date of
59 March 1, 2005, this interim renewal contract shall expire on February 28, 2005."

60 (b) Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is
61 amended by deleting the date "February 15, 2004," and replacing same with the date
62 "February 15, 2006."

63 (c) Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is
64 amended by deleting the dates "February 1, 2004," "February 15, 2004," and "February 29, 2004,"
65 and replacing same with the dates "February 1, 2006," "February 15, 2006," and "February 28,
66 2006," respectively.

67 IN WITNESS WHEREOF, the parties hereto have executed this interim renewal
68 contract as of the day and year first above written.

69 APPROVED AS TO LEGAL
FORM AND SUFFICIENCY
70 /s/ James E. Turner
71 OFFICE OF REGIONAL SOLICITOR
72 DEPARTMENT OF THE INTERIOR
73

THE UNITED STATES OF AMERICA

By: /s/ Kirk C. Rodgers
Regional Director, Mid-Pacific Region
Bureau of Reclamation

74 (SEAL)

SAN JUAN WATER DISTRICT

75 By: /s/ Dorothy Kilgore
76 President

77 Attest:

78 /s/ Sue Makimoto
79 Secretary